



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

**Community Empowerment and Economic
Revitalization Committee**

Friday, September 16, 2005

2:00 PM

Commission Chamber

Charles Anderson, CPA
Commission Auditor

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Miami, Florida 33128
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**Miami-Dade County Board of County Commissioners
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Legislative Analysis

**Community Empowerment & Economic Revitalization Committee
Meeting Agenda**

Friday, September 16, 2005

Written analyses for the below listed items are attached for your consideration in this Legislative Analysis.

Item Number(s)

3(A)	4(B) & 4(C)
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If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:
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LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

*AMENDMENTS TO SECTION 2-11.16 OF THE MIAMI-DADE COUNTY CODE,
RESPONSIBLE WAGES AND BENEFITS ON COUNTY CONSTRUCTION
CONTRACTS.*

Department of Business Development

I. SUMMARY

This ordinance amends Section 2-11.16 of the Miami-Dade County Code relating to Responsible Wages and Benefits on County Construction Contracts. The amendments would ensure that laborers and mechanics receive responsible wages by closing loopholes in the current code and would provide stiffer penalties for contractors who don't abide by the revised Code.

II. PRESENT SITUATION

According to Section 2-11.16 of the Miami-Dade County Code, bidders who are awarded County construction contracts in excess of \$100,000 must pay laborers and mechanics a base hourly rate outlined in the negotiated contract plus health and pension benefits. The section was amended on July 23, 2002, to provide an annual review and increase in the required base salary for construction workers on County contracts.

While the intention of this section of the Code is to ensure prompt and proper payment of laborers and mechanics working on County contracts, the current language of the code allows for contractors to circumvent paying laborers a responsible wage by allowing the contractor to set aside a large portion of the hourly wage for benefits.

III. POLICY CHANGE AND IMPLICATION

The amendments to the Code would:

- Require the payments of wages to construction workers on county construction contracts not be less than the base hourly rate set forth in the contract.
- Requires the payment of wages be in the form of check and/or money order
- In the event of underpayment, the contractor – if a first-time offender – will pay the construction worker 10 percent of the underpayment plus any back pay. This fee increases to 20 percent for a second violation and 30 percent upon the third violation. Upon the fourth violation the contractor will be recommended for a mandatory debarment for a period no less than three years.
- Require that bidders comply with payments of back wages on previous contracts prior to the award of the future contracts.
- Directs the County Manager to establish an administrative procedure to monitor and enforce Sect. 2-11.16 of the Code.

CEERC ITEM 3(A)
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IV. ECONOMIC IMPACT

This will have no financial impact on the County.

V. COMMENTS AND QUESTIONS

None.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

4(B) TARGETED JOBS INCENTIVE FUND PROGRAM PARTICIPATION FOR DBK CONCEPTS, INC.

4(C) TARGETED JOBS INCENTIVE FUND PROGRAM PARTICIPATION FOR COLONIAL PRESS INTERNATIONAL, INC.

Office of Community and Economic Development

I. SUMMARY

The Office of Community and Economic Development recommends that the Board of County Commissioners approve the Targeted Job Incentive Fund (TJIF) applications for:

- Colonial Press International, Inc., a web and sheet-fed printing company proposing to expand its offices in District 2.
- DBK Concepts, Inc., a computer services company proposing to construct a new national headquarters in District 9.

II. PRESENT SITUATION

The TJIF is an initiative by The Beacon Council and Miami-Dade County patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI). The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards.

III. POLICY CHANGE AND IMPLICATION

None.

IV. ECONOMIC IMPACT

Item Number	Project Name	New Jobs	Capital Investment	Miami-Dade New Incremental Tax Revenue Generated	Incentive Award	Net Revenue Benefit to Miami-Dade
4B	DBK Concepts, Inc.	130	\$2,250,000	\$85,988	\$71,500	\$14,488
4C	Colonial Press International, Inc.	14	\$6,250,000	\$175,822	\$158,240	\$17,582

TJIF is funded by general revenue funds.

CEERC ITEM 4(B), 4(C)

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V. COMMENTS AND QUESTIONS

4(B) The Board of County Commissioners approved a Qualified Target Industry refund application for DBK, Inc. in R-432-99 on April 27, 1999. The company subsequently withdrew its application. Questions regarding why the company withdrew from the first QTI were not answered by staff at the time of this printing.

4(C) A TJIF application for Colonial Press, Inc. was approved on May 6, 2003, however the company fell short of meeting the target of creating 13 new jobs, and invested \$3 million as opposed to the \$5 million investment that the company said it would make in 2003.

- *Should the County invest in a company that has fallen short of goals set out in previous TJIF applications?*